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E.O. 12958: DECL: 07/10/2018
TAGS: MARR MOPS PREL PGOV NATO LG

SUBJECT: LATVIA OFFICIALLY PULLS OUT OF SAC

REF: A) RIGA 401 B) RIGA 391 C) POST/STATE/OSD/USNATO

E-MAILS

Classified By: Ambassador Charles W. Larson, Jr. Reason: 1.4 (d)

11. (C) PM Godmanis called Ambassador Larson July 9 to inform him that the government had decided at its meeting on July 8 that it could not afford participation in NATO's Strategic Airlift Capability (SAC) Consortium. Godmanis stressed that Latvia supported the project in principle, but simply could not justify the cost in the tight 2008 budget. He said that Latvia would remain open to joining the consortium at a future date if the budgetary situation improves.

- 12. (U) On July 9, we understand that the Latvian del to NATO delivered notification of this decision at NATO HQ and reaffirmed Latvia's willingness to rejoin the program in future.
- 13. (U) As we understand the process here, the removal of the costs for the SAC from the 2008 budget will be submitted to parliament for a vote on July 17, in a package along with all other amendments to the budget. We don't believe that there is any chance of reversing the decision as regards the 2008 budget.

 LARSON